DEPARTMENT OF THE ARMY

REPLY TO ATTENTION OF:

U.S. Army Corps of Engineers WASHINGTON, D.C. 20314-1000

29 September 1998

MEMORANDUM FOR COMMANDERS/DIRECTORS, USACE COMMANDS

SUBJECT: Support of the Small Business Program.

- 1. The involvement of small businesses in our military and civil works programs is vital to the mission of the Army and to this nation's economic prosperity. I am committed to ensuring that small businesses have the opportunity to participate in our procurements and that we provide the training and counseling to help them succeed. I have put the small business program on the front burner for two reasons. First, it's the policy of our government to aid and assist qualified small businesses in obtaining and executing procurement contracts. But more than just policy, it makes strategic business sense to develop businesses, to grow competition and to insure a broad base of capable suppliers to strengthen the industrial base. I consider the Small Business Program mission essential.
- 2. Perhaps the single most important part of the small business program is command support and commitment. It requires your personal involvement and that of your staff to embrace the program in a manner that says it's the "right" thing to do. Do the right things for the right reasons right size projects, change bias for large business in our procurements, and develop well thought out acquisition strategies. Corps programs are large enough to accommodate the most ambitious assigned small business floors.
- 3. I am concerned that we take special care to ensure that we do not package requirements to preclude small businesses unless the consolidation will result in significant benefits. If circumstance dictate consolidation, written justification supporting this action must be provided to the contracting officer. Any such determination must be supported by market research analysis. The proposed consolidated procurement must be reviewed by the Small Business Administration.
- 4. Commands must become involved in both improving subcontracting performance and ensuring contract compliance. There are too many instances where large businesses are not meeting subcontracting goals and far too many problems with reporting. Contracting officers bear the responsibility in administering contracts to ensure contractor compliance with all contract requirements. This includes enforcing all contract requirements concerning small business utilization, maintaining documentation of the contractor's performance, providing advice and assistance to firms involved when required, ensuring the timely submission of required reports and the assessment of liquidated damages when warranted.
- 5. Another important aspect of the Small Business Program is to provide program visibility and outreach to the small business community through congressional, agency and local procurement fairs. This is an opportunity to identify new business sources for USACE procurements, to assist

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small firms in learning about proposed acquisitions, provide advice concerning acquisition procedures, provide instructions on preparation of proposals in the interpretation of contract clauses, and to support members of Congress in their community initiatives. An effective outreach program develops a small business base and is the first step in helping small business firms to be competitive.

6. I am personally committed and dedicated to ensuring that USACE continues to build on its fine small business record. I know that I can count on your support to ensure that the Small Business Program is fully integrated into the Corps' mission and that the highest quality program is maintained.

JOE N. BALLARD

Lieutenant General, USA

Commanding